

SENATE BILL 653

Q3

4lr2351
CF HB 610

By: ~~Senator Astle~~ Senators Astle, Jones-Rodwell, Shank, Young, Kasemeyer, Colburn, Currie, DeGrange, Edwards, Getty, King, Madaleno, Manno, McFadden, Peters, and Robey

Introduced and read first time: January 31, 2014
Assigned to: Budget and Taxation

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 4, 2014

CHAPTER _____

1 AN ACT concerning

2 **Maryland Income Tax Refunds – Warrant Intercept Program**

3 FOR the purpose of ~~requiring all counties~~ authorizing certain counties to participate in
4 a certain income tax refund withholding program related to individuals with
5 outstanding warrants; requiring certain counties that elect to participate in the
6 program to notify the Comptroller on or before a certain date; requiring the
7 Comptroller to conduct a certain study and submit a certain report to the
8 General Assembly on or before a certain date; repealing certain termination
9 provisions; and generally relating to Maryland income tax refunds and
10 individuals with outstanding warrants in the State.

11 BY repealing and reenacting, without amendments,
12 Article – Tax – General
13 Section 1-101(a) and (f), ~~13-935~~ 13-935, and ~~13-938~~ 13-937 through 13-940
14 Annotated Code of Maryland
15 (2010 Replacement Volume and 2013 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Tax – General
18 Section 13-936 and ~~13-937~~
19 Annotated Code of Maryland
20 (2010 Replacement Volume and 2013 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 BY repealing and reenacting, with amendments,
2 Chapter 451 of the Acts of the General Assembly of 2012, as amended by
3 Chapter 213 of the Acts of the General Assembly of 2013
4 Section 3

5 BY repealing and reenacting, with amendments,
6 Chapter 213 of the Acts of the General Assembly of 2013
7 Section 3

8 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
9 MARYLAND, That the Laws of Maryland read as follows:

10 **Article – Tax – General**

11 1–101.

12 (a) In this article the following words have the meanings indicated.

13 (f) “County” means a county of the State and, unless expressly provided
14 otherwise, Baltimore City.

15 13–935.

16 (a) In this part the following words have the meanings indicated.

17 (b) “Refund” means an individual’s Maryland income tax refund.

18 (c) (1) “Warrant” means a criminal arrest warrant.

19 (2) “Warrant” includes a warrant issued for or that results from:

20 (i) a failure to appear before a court of the State;

21 (ii) a violation of the Maryland Vehicle Law that is punishable
22 by a term of confinement; or

23 (iii) a violation of probation.

24 (3) “Warrant” does not include a body attachment.

25 (d) “Warrant official” means an official of the federal, State, or local
26 government charged with serving a warrant.

27 13–936.

28 (a) **(1)** This part applies only to individuals who:

1 ~~(1)~~ **(I)** are residents of ~~Anne Arundel County~~ ~~THE STATE OR A~~
2 COUNTY THAT PARTICIPATES IN THE PROGRAM UNDER THIS PART; or

3 ~~(2)~~ **(II)** have an outstanding warrant from ~~Anne Arundel County~~
4 ANY COUNTY IN THE STATE OR A COUNTY THAT PARTICIPATES IN THE
5 PROGRAM UNDER THIS PART.

6 **(2) THE GOVERNING BODY OF A COUNTY MAY ELECT, BY LOCAL**
7 LAW, TO PARTICIPATE IN THE PROGRAM UNDER THIS PART.

8 **(3) IF A COUNTY ELECTS TO PARTICIPATE IN THE PROGRAM**
9 UNDER THIS PART, THE COUNTY SHALL NOTIFY THE COMPTROLLER OF THE
10 COUNTY'S INTENTION TO PARTICIPATE ON OR BEFORE OCTOBER 1 OF THE
11 TAXABLE YEAR FOR WHICH THE COUNTY INTENDS TO PARTICIPATE.

12 (b) This part does not apply to an individual:

13 (1) who is an active duty member of the armed forces of the United
14 States; or

15 (2) who files a joint Maryland income tax return.

16 13-937.

17 A warrant official ~~may~~ **SHALL**:

18 (1) certify to the Comptroller the existence of an outstanding warrant
19 for an individual who is a resident of Maryland or who receives income from
20 Maryland; and

21 (2) request the Comptroller to withhold any refund to which the
22 individual is entitled.

23 13-938.

24 (a) A certification by a warrant official to the Comptroller shall include:

25 (1) the full name and address of the individual and any other names
26 known to be used by the individual;

27 (2) the Social Security number or federal tax identification number;
28 and

29 (3) a statement that the warrant is outstanding.

1 (b) The Comptroller shall determine if an individual for whom a certification
2 is received is due a refund.

3 (c) As to any individual due a refund for whom a certification is received, the
4 Comptroller shall:

5 (1) withhold the individual's refund; and

6 (2) notify the individual of a certification by the warrant official of the
7 existence of an outstanding warrant.

8 (d) The Comptroller may not pay a refund until the warrant official notifies
9 the Comptroller that the warrant is no longer outstanding.

10 13-939.

11 The Comptroller shall withhold and pay any amount as provided in § 13-918 of
12 this subtitle before withholding any part of an income tax refund under § 13-938 of
13 this part.

14 13-940.

15 On or before December 1 of each year, the Office of the Comptroller shall report
16 to the House Ways and Means Committee and the Senate Budget and Taxation
17 Committee, in accordance with § 2-1246 of the State Government Article, on the
18 implementation of §§ 13-935 through 13-939 of this part.

19 **Chapter 451 of the Acts of 2012, as amended by Chapter 213 of the Acts of**
20 **2013**

21 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 October 1, 2012. [Section 1 of this Act shall remain effective for a period of 6 years
23 and, at the end of September 30, 2018, with no further action required by the General
24 Assembly, Section 1 of this Act shall be abrogated and of no further force and effect.]

25 **Chapter 213 of the Acts of 2013**

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 July 1, 2013. [Section 1 of this Act shall remain effective until the taking effect of the
28 termination provision specified in Section 3 of Chapter 451 of the Acts of 2012. If that
29 termination provision takes effect, Section 1 of this Act shall be abrogated and of no
30 further force and effect.]

31 SECTION 2. AND BE IT FURTHER ENACTED, That the Comptroller, in
32 consultation with the Maryland State Police and local government officials, shall study
33 and evaluate the processes used to certify outstanding warrants and to withhold
34 income tax refunds of individuals with outstanding warrants in accordance with this

1 Act. The Comptroller shall report the findings of the study, in accordance with §
2 2-1246 of the State Government Article, to the General Assembly on or before
3 December 1, 2015.

4 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 July 1, 2014.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.